

**304.37-565 Hearing -- Notice -- Application and plan review -- Order -- Revocation
-- Notice and documentation of completion.**

- (1) A public hearing required by KRS 304.37-505 and 304.37-510 shall be conducted as directed in Subtitle 2 of this chapter and KRS Chapter 13B.
- (2) In addition to any notice required by this chapter and KRS Chapter 13B, the office shall supplement any notice by newspaper publication and broadcast announcements, in accordance with KRS Chapter 424.
- (3) The executive director may retain at the applicant's expense any attorneys, actuaries, accountants, investment bankers, or other experts not otherwise a part of the executive director's staff that may be necessary to assist the executive director in reviewing the proposed application and plan of reorganization or merger.
- (4) Upon receipt of the application and plan of reorganization or merger, the executive director shall submit any application to the Attorney General for examination. The Attorney General shall have access to the executive director's staff and all consultants retained by the executive director for review of the application. The Attorney General may examine the application and plan of reorganization or merger for compliance with the standards in KRS 304.37-555. The Attorney General may submit written findings and a recommendation of approval, disapproval, or conditional approval of the application and plan of reorganization or merger to the executive director. Written findings and recommendations shall be delivered to the executive director no later than five (5) days prior to the public hearing required by KRS 304.37-505 and 304.37-510 and shall be entered into the record at the hearing.
- (5) The executive director shall at all times retain jurisdiction over the mutual insurance holding company and its intermediate holding company subsidiaries with stock insurance company subsidiaries.
- (6) Following the hearing required in KRS 304.37-505 and 304.37-510, the executive director shall, by order, approve, conditionally approve, or deny an application. The executive director may require, as a condition of approval of the proposed reorganization, modification of the proposed plan of reorganization as the executive director finds necessary. The applicant shall accept required modifications by filing appropriate amendments to the proposed plan of reorganization with the executive director within thirty (30) days of the date of the order of the executive director requiring modifications. If the applicant does not accept the required modifications by failing to file the required amendments to the proposed plan of reorganization within thirty (30) days, the proposed reorganization shall be deemed denied.
- (7) An approval or conditional approval of a plan of reorganization shall expire if the reorganization is not completed within one hundred eighty (180) days unless the time period is extended by the executive director upon a showing of good cause.
- (8) The executive director may revoke approval or conditional approval of an applicant's plan of reorganization if the executive director finds the applicant has failed to comply with the plan of reorganization. The executive director may compel completion of a plan of reorganization unless the plan is abandoned in its entirety.

The executive director shall retain jurisdiction over the applicant until a plan of reorganization has been completed.

- (9) Upon completion of all elements of a plan of reorganization and any conditions placed on the reorganization by the executive director, the applicant shall provide a notice of and documentation of completion to the executive director.
- (10) Within twelve (12) months after the executive director receives the notice specified in subsection (9) of this section, the executive director shall examine the affairs, transactions, accounts, records, and assets of the mutual holding company, reorganized insurer, and its affiliated persons for compliance with the plan of reorganization and for protection of policyholder interests.

Effective: July 15, 1998

History: Created 1998 Ky. Acts ch. 546, sec. 14, effective July 15, 1998.

Legislative Research Commission Note (6/20/2005). 2005 Ky. Acts chs. 11, 85, 95, 97, 98, 99, 123, and 181 instruct the Reviser of Statutes to correct statutory references to agencies and officers whose names have been changed in 2005 legislation confirming the reorganization of the executive branch. Such a correction has been made in this section.